United States Bankruptcy Court District of Oregon

In re: Arnica Publishing, Inc. Debtor

99646672 99646726 Case No. 11-40925-tmb Chapter 7

CERTIFICATE OF NOTICE

District/off: 0979-3 User: rick Page 1 of 5 Date Rcvd: Feb 01, 2013 Form ID: pdf018 Total Noticed: 158 Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Feb 03, 2013. #+Arnica Publishing, Inc., 3880 SE Eighth Ave., Suite 110, Portland, OR 97202-1 and 1 Internet, Inc., 701 Lee Road, Suite 300, Chesterbrook, PA 19087-5612 +ASA, 2801 NE 50th Street, Oklahoma City, OK 73111-7203 +AT & T, PO Box 6416, Carol Stream, IL 60197-6416 +Aaron Nepple, 220 SW 131st Ave., Beaverton, OR 97005-0648 +Aimee Genter, 5242 N. Denver Ave., Portland, OR 97217-3805 Portland, OR 97202-3772 99646598 99646604 99646605 99646696 +Aimee Genter, 5242 N. Denver Ave., Portland, OR 97217-3805 +American Express, PO Box 981532, El Paso, TX 79998-1532 99646651 99646599 99646600 +American Property Management, 2154 NE Broadway, Suite 200, Portland, OR 97232-1561 99646601 +American Property Mangement, Corp., 2154 NE Broadway, Suite 200, Portland, OR 97232-1561 +Bank of America, PO Box 15710, Wilmington, DE 19886-5710 +Bank of America, PO Box 982238, El Paso, TX 79998-2238 +Bank of America, PO Box 301200, Los Angeles, CA 90030-1200 99646609 99646610 99646607 +Bankruptcy Estate of Hawkins/Vines Case 12-33561, Peter McKittrick, Trustee, 100006156 515 NW Saltzman Rd, PMB 917, Portland OR 97229-6098 +Baraka Visions Photography, 1009 SE 190th Ave., Portland, OR 97233-5901 99646611 +Barbara Miller, 2780 Beacon Hill Drive, West Linn, OR 97068-3687 99646692 +Beam Global, 277 Buckskin Street, Henderson, NV 89074-4269 Benjamin Opsahl, 1618 SW 36th Ave., Portland, OR 97214 +Book Designers, 769 Cenbert Blvd. #22, Fairfax, CA 94930-1764 99646612 99646699 99646614 +Book Designers, 709 Cembert Bivd. #22, Failita, CA 94930-1704 +BookPrinters Network, 15561 SE Green Hills Ct., Happy Valley, OR 97086-5802 +Brenda Gunderson, 216 E. Virginia St., Stayton, OR 97383-1753 +Brown Forman, 6200 Stoneridge Mall Rd., #300, Pleasanton, CA 94588-3705 +Bureau of Labor & Industries, Margaret Pargeter, 1400 Executive Parkway #200, 99646653 99646616 99935382 Eugene OR 97401-7103 +Bureau of Labor and Industries, 800 NE Oregon St., Portland, OR 97232-3601 +CH Robinson Worldwide, Inc., PO Box 9121, Minneapolis, MN 55480-9121 99646618 99646622 99646717 +Charles Price, 5842 Ballymeade St. SE, Salem, OR 97306-9016 +Cher Paul, Indexing and Editing Services, 8558 N. Allegheny Ave., Portchris Guillen Photography, 7451 W. Madison, Forest Park, IL 60130-1596 +Christy Scattarella, 7515 SW 32nd Ave., Portland, OR 97219-1864 +Chuck Jones, 3395 W. Garden View Ave., Portland, OR 97225-3547 99646623 Portland, OR 97203-3105 99646625 99646731 +Clean Copy, 1704 SW Broadway Ave., Portland, OR 97201-3296 +Colormation, 4488 NW Yeon Ave., Portland, OR 97210-1430 +Comcast Cable Communications, Inc., PO Box 34227, Seattle, WA 98124-1227 99646627 99646629 99646630 +Constellation Wines, 3341 Sage Brush Trail, Plano, TX 75023-5633 +Counterform, 10121 NW Fleetwood Dr., Portland, OR 97229-5282 99646631 99646635 Dan Livingston, 1480 Hemlock St, Lake Oswego OR 97034-6016 Dave Carey, 4022 Dawson Trail, Georgetown, TX 78633 99646685 99646621 +Dave and Lynn Bangsund, 800 NW Westover Square, Portland, OR 97210-3100 +Dave and Teresa Newton, 7115 SE 36th Ave., Portland, OR 97202-8327 99646606 99646697 +Dept. of Consumer Business Services, Fiscal Section, Salem, OR 97310-0001

+Deschutes Brewery, Inc., 901 SW Simpson Ave., Bend, OR 9

+Diane Vines, 7101 SE 36th Ave., Portland, OR 97202-8327

+Documart, 101 SW Main St., Portland, OR 97204-3209

+Don and Holly Schoenbeck, 3426 SE Crystal Springs Blvd., Bend, OR 97702-3118 99646638 99646639 99646640 99646733 Portland, OR 97202-8428 +Dr. Ron Arndt, 33426 Liberty Pkwy., North Ridgeville, OH 44039-2670 +Dr. Sharon Richie-Melvan, 13 N. Archwood, Inverness, FL 34450-2522 +Drs. Matthew and Patricia Maberry, 17340 SW Augusta Lane, Beaverton, OR 97006-4323 99646603 99646727 99646686 +Elavon Settlement Recovery, PO Box 86, Minneapolis, MN 55486-0086
+Elevan Settlement Group, PO Box 86, SDS 12-2291, Minneapolis, MN 55486-0086
Foley Wines, 6121 E. Highway 26, Lompoc, CA 93436 99646729 99646644 99646645 Foley Wines, 6121 E. Highway 20, Hompoc, CA 2015 +Fred Beverages, Inc., 2633 Lincoln Blvd, #536, Santa Monica, CA 90405-4619 +Frette Hotel Division, Four West 58th Street, Floor #5, New York, NY 10019-2515 99646648 +Frette Hotel Division, Four West 58th Street, Floor #5, New York, NY:
+Fullfillment Corp., 11065 SW 11th St., #300, Beaverton, OR 97005-4458
+Gary Rainier Puetz, PO Box 888, Camas, WA 98607-0888
+Greg and Becky Mowe, 7435 SE 19th Ave., Portland, OR 97202-6202 99646649 99646650 99646721 99646694 +Hess Collection, 4411 Redwood Rd., Napa, CA 94558-9708 +Hooters of America, 1815 The Exchange, Atlanta, GA 30339-2027 Indigo Tiger Design, 3647 SW Ogden St., Portland, OR 97202 99646659 99646664 +Ingram Publisher Services Inc, One Ingram Blvd., La Vergne, TN 37086-3629 99646665 +Janet Filips, 2374 NW Kearney St., Portland, OR 97210-3016 99646668 +Janet Filips, 2374 NW Kearney St., Portland, OR 97210-3016
+Jennifer Palmquist, 1211 SW 5th Ave., #2330, Portland, OR 97204-3729
+Jennifer Pietka, 3344 NE Klickitat Street, Portland, OR 97212-2668
+Jennifer Waiver Neist, 6858 SE Langwood St., Hillsboro, OR 97123-6021
+Jim Coonan, 11659 SW Military Rd., Portland, OR 97219-8327
+Jim Peterson, 8335 SE 17th Ave., Portland, OR 97202-7306
Joe Spooner, 7630 SE Clinton St., Portland, OR 97206
+John Skinner, 4092 Penny Dr. South, Salem, OR 97302-6152
+John and Susan Hoover, 2940 SE Bybee, Portland, OR 97202-8738
Joni Kabana, 1618 SW 36th Ave., Portland, OR 97214 99646708 99646713 99646695 99646632 99646712 99646737 99646734 99646661 Joni Kabana, 1618 SW 36th Ave., Portland, OR 97214
+Jordan Schrader, Two Centerpointe Dr., 6th Floor, Lake Oswego, OR 97035-8619
+Jordan Vineyard & Winery, Attn: Ron Kampel, CFO, PO Box 878, Healdsburg, CA 95448-0878
Josh and Sarah Reynolds, 8042 SE 32nd, Portland, OR 97202 99646673 99646671

District/off: 0979-3 User: rick Page 2 of 5 Date Royd: Feb 01, 2013 Form ID: pdf018 Total Noticed: 158 +Karen Hawkins, 3344 NE Tillamook, Portland, OR 97212-5153 +Kathleen Reedy Howard, 9337 N. Charleston Ave., Portland, OR 97203-2203 +Kell Alterman & Runstein LLP, 520 SW Yamhill, Suite 600, Portland, OR 97204-1329 +Key Bank National Association, 1211 SW 5th Ave #1900, Portland, OR 97204-3719 +Key Bank National Association, 1211 SW 5th Ave #1900, Portland, OR 97204-3719
+Key Merchants, 7300 Chapmany Hwy, Knoxville, TN 37920-6612
+Kim Warren, 4460 South 2700 East, Salt Lake City, UT 84124-3787
Kimpton Hotels & Restaurants, 222 Kerny Street, Suite 200, San Francisco, CA 94108
+King Estate Winery, 80854 Territorial Rd., Eugene, OR 97405-9715
+Kobrand Wines, One Manhattenville Rd., Purchase, NY 10577-2126
+Kristin Howe, 3611 SE 15th Ave., Upper Unit, Portland, OR 97202-3880 +Laura O. Foster, 14355 NW McNamee Rd., Portland, OR 97231-2131 +Leslie Cole, 2412 NE 17th Ave., Portland, OR 97212-4236
+Liberty Underwriters, Superior Access Ins. Services, Inc.,
6500 River Place, Bldg. S, Suite 100, Austin, TX 78730-1119
+Lois A Waldron, 4715 SE 32nd Ave., Portland, OR 97202-3407
+Lynn Johnston, 212 Oswego Summit, Lake Oswego, OR 97035-1076

Majestic Fine Wines, 425 Aviation Bldd. Santa Bosa CA 95407 +Lynn Johnston, 212 Oswego Summit, Lake Oswego, OR 9/035-10/0
+Majestic Fine Wines, 425 Aviation Blvd., Santa Rosa, CA 95403-1069
+Maraschino Cherry Association Program, PO Box 76, Old Mission, MI 49673-0076
+Marilvn Fransham, 401 NE 365th Ave., Corbett, OR 97019-9686 +Marilyn Fransham, 401 NE 365th Ave., Corbett, OR 97019-9686 +Mark & Marilyn Fransham, 401 NE 365th Ave, Corbett OR 97019-9686 +McAfee, PO Box 60157, Los Angeles, CA 90060-0157 +McAfee, PO Box 60157, Los Angeles, CA 90060-0157

#+Michelle Blair, 3260 SW 98th Ave., Portland, OR 97225-2927

+Michelle McCann, 1025 SE Lexington St., Portland, OR 97202-6337

+Michelle Trappen, 35490 NW Wren Rd., Cornelius, OR 97113-6338

+Mildred Hawkins, 3155 SE 15th Ave., Albany, OR 97322-6962

+Moet Hennessy, 85 10th Ave., Second Floor, New York, NY 10011-4753

+NIAD, c/o Deb Dyer, 551 23rd Street, Richmond, CA 94804-1626

+Nancy Ponzi, 14665 SW Winerly Lane, Beaverton, OR 97007-8773

+National Institute of Art & Disabilities, 551 23rd St, Richmond CA 94804-1626

+Oregon Attorney General, John Kroger, Department of Justice, 1162 Court Stressalem, OR 97301-4096 1162 Court Street NE, Salem, OR 97301-4096 +Oregon Department of Agriculture, 635 Capital St. NE, Salem, OR 97301-2568
Oregon Employment Department, 875 Union Street NE, Salem, OR 97309
+Oregon Entrepreneurs Network, 50 West Main St, Suiet 8100, Rochester, NY 14614-1293
+Oregon Fruit Products Company, 150 Patterson Street NW, PO Box 5283, Salem, OR 97304-0283
+Patricia Brown aka Tricia Brown, 31330 New Kirk Rd, Scappoose, OR 97056-2215
+Plus Minus, 615 8th Street, Oregon City, OR 97045-1939 +Polara Studios, 614 SE Hawthorne, Portland, OR 97214-3558 +Print Sync, Inc., 6775 SW 111th Ave., Beaverton, OR 97008-5382 +Print Sync, Inc., 6775 SW 111th Ave., Beaverton, OR 97008-5382
+Proximo, 333 Washington Street, 4th Floor, Jersey City, NJ 07302-3066
Prudential Life Insurance, 677 SW 11th Ave., Suite 10, Beaverton, OR 97
+Rebar & Associates, 4727 44th SW, Suite 201, Seattle, WA 98116-4467
Retain Merchandise Xpress, PO Box 31001-1691, Pasadena, CA 91110-1691
+Rich Schafer, 7448 SW Hunt Club Drive, Portland, OR 97223-3413
+Richard Hawkins, 1901 S. Union Ave. B-7005, Tacoma, WA 98405-1807
+Richard Lee Owsiany, 5010 SE Lake Rd., Milwaukie, OR 97222-4749
+Roger A Capps, 3009 SE Lambert St, Portland, OR 97202-8566
+Ron Teerlinck, PO Box 15284, Portland, OR 97293-5284 Beaverton, OR 97008 +Ron Teerlinck, PO Box 15284, Portland, OR 97293-5284 +Rose City Labels, 7235 SE Label Lane, Portland, OR 97206-9339 +Ross Hawkins, 7101 SE 36th Ave., Portland, OR 97202-8327 +Samuel Robb, 1134 SW Jefferson, Apt. 308, Portland, OR 97201-3399 +Samuel Robb, 1134 SW Jefferson, Apt. 308, Portland, OR 97201-3399
+Sara Cotton, 1211 SW Fifth Ave., Suite 1900, Portland, OR 97204-3719
+Skyy Spirits, One Beach Street, Suite 300, San Francisco, CA 94133-1228
Sokol Blosser, 5000 Sokol Blosser Lane, Dundee, OR 97115
+Steve Duin, 4104 Ochard Way, Lake Oswego, OR 97035-1842
+Steve Palodichuk, 1005 W. 8th St., Vancouver, WA 98660-3010
+Tillamook Cheese Co., 4175 Hwy 101 N., Tillamook, OR 97141-7770
+Tom Arenz, Brownstein Rask, 1200 SW Main St., Portland, OR 97205-2040
#+Tom Chilemmi, 12 Wood Hollow Lane, Northport, NY 11768-2705
+Tricia Brown, 31330 New Kirk Rd., Scappoose, OR 97056-2215
+UPS. 1327 Tacoma Street. Portland, OR 97202-6639 +UPS, 1327 Tacoma Street, Portland, OR 97202-6639 +US Attorney, Karin Immergut, 1000 SW Third Avenue, #600, Portland, OR 97204-2936 +US Attorney General, Eric H. Holder, Jr., Department of Justice, 10th and Constitution NW, Washington, DC 20530-0001 ++US BANK, PO BOX 5229, CINCINNATI OH 45201-5229
(address filed with court: ELAN FINANCIAL SERVICES, AS SERVICER FOR BANKRUPTCY DEPARTMENT, P.O. BOX 5229, CINCINNATI, OH 45201-5229) AS SERVICER FOR KEYBANK NA CONV SMAL, +US Yellow Pages, PO Box 41308, Jacksonville, FL 32203-1308 +University Club, 1225 SW 6th Ave., Portland, OR 97204-1099 +Vicki Knapton, 222 SE 5th Ave., Hillsboro, OR 97123-4127 +Victor Panichkul, 5842 Ballymeade St. SE, Salem, OR 97306-9016 +Vine Connections, One Harbor Drive, Suite 112, Sausalito, CA 9 +Vine Connections, One Harbor Drive, Suite 112, Sausalito, CA 94965-1433 +Vranken USA, 145 West 45th Street, Suite 1001, New York, NY 10036-4032 +Wells Fargo, 7412 Jefferson St. NE, Albuquerque, NM 87109-9313 Whiz Group, Unit B, 2/F Sunview Industrial Bldg, 3 On Yip Street, Chiawan, Hong Kong +e-works, 1620 NW Bridgeway Lane, Beaverton, OR 97006-3289

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Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center (continued)

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Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.
                E-mail/Text: bankruptcy@portlandoregon.gov Feb 02 2013 02:31:32
                                                                                                   The City of Portland,
                  1120 SW 5th Ave., Room 1250, Portland, OR 97204
99646619
               +E-mail/Text: w.chaffin@capitalcreditinc.com Feb 02 2013 03:01:35
                  Capital Credit and Collection Srv., Inc., 10200 SW Eastridge St., Suite 201,
                  Portland, OR 97225-5029
99646626
                E-mail/Text: bankruptcy@portlandoregon.gov Feb 02 2013 02:31:32
                                                                                                   City of Portland,
               City Attorney's Office, 1211 SW 4th Avenue, Room 430, Portland, OR 97204 +E-mail/Text: bknotices@mbandw.com Feb 02 2013 04:42:03 De Lage Laden,
99646636
                c/o McCarthy, Burgess, & Wolff, 26000 Canon Rd., Bedford, OH 44146-1807 E-mail/Text: cio.bncmail@irs.gov Feb 02 2013 02:27:52 Internal Revenue S
                                                                                     Internal Revenue Service,
99646666
                                                                        M/S 0240,
                 Special Procedures, 1220 SW Third Avenue,
                                                                                       Portland, OR 97204
                E-mail/Text: cio.bncmail@irs.gov Feb 02 2013 02:27:52 Insolvency Unit, PO Box 21126, Philadelphia, PA 19114
                                                                                      Internal Revenue Service,
99646667
               +E-mail/Text: bknotices@mbandw.com Feb 02 2013 04:42:03
99646691
                                                                                       McCarthy & Burges.
                                                                                                                 26000 Canon Rd.,
                 Bedford, OH 44146-1807
                E-mail/Text: bankruptcy.revenue@dor.state.or.us Feb 02 2013 02:31:11
99916674
                                                                                                         ODR Bkcy,
                  955 Center St NE, Salem OR 97301-2555
99646702
                E-mail/Text: bankruptcy.revenue@dor.state.or.us Feb 02 2013 02:31:11
                  Oregon Department of Revenue, PO Box 14725, Salem, OR 97309-5018
99646703
                 E-mail/Text: bankruptcy.revenue@dor.state.or.us Feb 02 2013 02:31:11
                 Oregon Department of Revenue - Bkcy, 955 Center Street NE, Room 353,
                                                                                                            Salem, OR 97301-2555
99646722
               +E-mail/Text: bklaw@centurylink.com Feb 02 2013 02:36:13
                                                                                         Qwest, PO Box 91155,
                  Seattle, WA 98111-9255
99646748
               +E-mail/PDF: bankruptcyverizonwireless@afninet.com Feb 02 2013 02:48:05
                                                                                                           Verizon Wireless.
                 PO Box 660108, Dallas, TX 75266-0108
                                                                                                               TOTAL: 12
             ***** BYPASSED RECIPIENTS (undeliverable, * duplicate) *****
                 Arnica Publishing, Inc.
99646597
                Michael Henderson,
99646658
                                        1 Blyth Court, West ward Ho, North Devon,
                                                                                                 EX39 1XF
             +Diane Vines, 7101 SE 36th Ave., Portland, OR 97202-8327 ##+Bank of America, PO Box 15026, Wilmington, DE 19850-5026
99646750*
99646608
             ##+Bank of America, Po Box 15026, Wilmington, DE 19850-5026
##+Dan Raley, 832 Potomac Rd., Atlanta, GA 30338-6974
##+James Stuart, 6302 SE Lincoln St., Portland, OR 97215-4077
##+Jason Paul Greer, 2011 36th St., Missoula, MT 59801-8833
##+John Lalor, 526B 13 Street SE, Washington, DC 20003-2297
99646723
99646738
99646652
99646683
             ##+Robert Parsons, 7219 SE 28th Ave., Portland, OR 97202-8712
99646711
                                                                                                               TOTALS: 2, * 1, ## 6
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Addresses marked '+' were corrected by inserting the ZIP or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Addresses marked '++' were redirected to the recipient's preferred mailing address pursuant to 11 U.S.C. 342(f)/Fed.R.Bank.PR.2002(g)(4).

Addresses marked '#' were identified by the USPS National Change of Address system as requiring an update. While the notice was still deliverable, the notice recipient was advised to update its address with the court immediately.

Addresses marked '##' were identified by the USPS National Change of Address system as undeliverable. Notices will no longer be delivered by the USPS to these addresses; therefore, they have been bypassed. The debtor's attorney or pro se debtor was advised that the specified notice was undeliverable.

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***** BYPASSED RECIPIENTS (continued) *****

I, Joseph Speetjens, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 9): Pursuant to Fed. R. Bank. P. 2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Feb 03, 2013 Signa

e: Joseph Spertjens

District/off: 0979-3 User: rick Form ID: pdf018 Page 5 of 5 Total Noticed: 158 Date Rcvd: Feb 01, 2013

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on February 1, 2013 at the address(es) listed below:

TOTAL: 0

FILED

February 01, 2013

Clerk, U.S. Bankruptcy Court

IT IS ORDERED AND NOTICE IS GIVEN that unless within 23 days of the date in the FILED stamp above an interested party BOTH: (1) files a written objection to the Motion below, SETTING FORTH the specific grounds for such objection, with the Clerk of Court (i.e., if the 5-digit portion of the Case No. begins with 3 or 4, at 1001 SW 5th Ave. #700, Portland OR 97204; OR, if it begins with a 6 or 7, at 405 E 8th Ave #2600, Eugene OR 97401), AND (2) serves a copy on the movant and any attorney for the movant at the service address(es) below, the movant will thereafter settle and compromise the matter upon the terms below and the settlement will be deemed approved without further order.

TRISH M. BROWN
U.S. Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT

DISTRICT OF OREGON

Arnica Publishing Inc.) Case No	
Debtor(s)) AND ORDER THEREON)	
The undersigned trustee,following described dispute upon the following described dispute di	Amy Mitchell , moves to settle and compromise	the

The Trustee proposes to enter into a Joint Prosecution and Settlement Agreement (the "Agreement") with Duncan Robertson, Dave Newton, and any other similarly situated individual creditors who agree to its terms (the "Creditor Group"). The individuals in the Creditor Group loaned the Debtor substantial sums specifically intended to fund the Debtor's project to publish and sell to Costco Wholesale Corporation a McCormick & Schmick's Cookbook/Gift Card/DVD package for the 2008 holiday season (the "2008 Costco Project"). McCormick & Schmick's Seafood Restaurants, Inc. and/or its affiliate(s) ("M&S") allegedly misappropriated the 2008 Costco Project and its proceeds from the Debtor for little or no consideration. Then, in 2009, M&S purportedly obtained a global release from the Debtor of any and all claims against M&S, again for no consideration (the "Release").

The Trustee, on behalf of the Estate, and the Creditor Group believe that they have valuable claims against M&S, including but not limited to claims arising from the 2008 Costco Project and the Release, and possibly additional valuable claims arising out of or related to the 2008 Costco Project and the Release that may be asserted against other parties (collectively the "Claims"). The Trustee contends that the claims of the Estate are broader and more expansive than the claims of the Creditor Group and, as a result of the Debtor's bankruptcy case, supersede the Creditor Group's claims. However, the Estate does not have the funds to effectively prosecute the Claims. Therefore, the Trustee and the Creditor Group wish to settle the dispute and "pool" and jointly prosecute the Claims. Accordingly, in exchange for a non-refundable payment of \$15,000 to the Estate (receipt of which is hereby acknowledged); paying the greater of the first \$25,000 or 10% of any net recovery

In re

(i.e., after payment of fees and costs, including reimbursement to the Creditor Group of the fees and costs advanced); subordinating their proofs of claims to all other creditors; indemnifying and holding the Estate harmless from any claims or damages arising from the Agreement or the Claims; and fully funding the costs and fees and otherwise bearing all risk of the litigation of the Claims, including all claims of the Estate – the Creditor Group shall receive the remainder of the net recovery of the litigation.

The Creditor Group shall manage the day-to-day prosecution of the Claims, with oversight by the Trustee. However, the Trustee shall continue to hold all rights to the claims of the Estate and shall have sole and exclusive authority to settle the Claims, subject to notice to creditors and approval of the Court.

The Trustee believes that, in her business judgment, the proposed joint prosecution agreement is reasonable, fair and equitable, and in the best interests of the Estate. The Estate does not have the resources to advance the fees and costs of litigation with M&S, and the Trustee expects the Claims will be strongly contested. This agreement provides a guaranteed recovery of \$15,000, with a share of the net proceeds.

###

DATE: <u>1/31/13</u> /s/ Amy Mitchell

Trustee

Service Address: POB 2289

Lake Oswego, OR 97035

Name of Attorney for Trustee: Justin D. Leonard of McKittrick Leonard LLP

Service Address: 111 SW Columbia, Suite 1100, Portland, OR 97201

Portland, OR 97201 (email: JLeonard@ML-LPP.com)